

Senate File 2201

H-8578

1 Amend Senate File 2201, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 2, after line 29 by inserting:

4 <Sec. \_\_\_\_\_. Section 505.7, Code Supplement 2009, is  
5 amended by adding the following new subsection:

6 NEW SUBSECTION. 10. *a.* The commissioner shall  
7 assess the costs of carrying out the insurance  
8 division's duties pursuant to section 505.8, subsection  
9 18, section 505.17, subsection 2, and sections 505.18  
10 and 505.19 that are directly attributable to the  
11 performance of the division's duties involving specific  
12 health insurance carriers licensed to do business in  
13 this state. Such expenses shall be charged to and paid  
14 by the specific health insurance carrier to whom the  
15 expenses are attributable and upon failure or refusal  
16 of any such carrier to pay such expenses, the same may  
17 be recovered in an action brought in the name of the  
18 state. In addition, the commissioner may revoke the  
19 certificate of authority of a health insurance carrier  
20 licensed to do business in this state that fails to pay  
21 such expenses attributable to that carrier.

22 *b.* The commissioner shall assess the costs of  
23 carrying out the insurance division's duties generally  
24 pursuant to section 505.8, subsection 18, section  
25 505.17, subsection 2, and sections 505.18 and 505.19,  
26 and for implementation and maintenance of health  
27 insurance information for consumers on the insurance  
28 division internet site, that are not attributable to  
29 a specific health insurance carrier, to all health  
30 insurance carriers that are licensed to do business  
31 in this state on a proportionate basis as provided by  
32 rules adopted by the commissioner.

33 Sec. \_\_\_\_\_. Section 505.8, Code Supplement 2009, is  
34 amended by adding the following new subsection:

35 NEW SUBSECTION. 18. The commissioner shall  
36 annually convene a work group composed of the consumer  
37 advocate, health insurance carriers, health care  
38 providers, small employers that purchase health  
39 insurance under chapter 513B, and individual consumers  
40 in the state for the purpose of considering ways  
41 to reduce the cost of providing health insurance  
42 coverage and health care services, including but  
43 not limited to utilization of uniform billing codes,  
44 improvements to provider credentialing procedures,  
45 reducing out-of-state care expenses, and the electronic  
46 delivery of explanation of benefits statements. The  
47 recommendations made by the work group shall be  
48 included in the annual report filed with the general  
49 assembly pursuant to section 505.18.

50 Sec. \_\_\_\_\_. Section 505.17, Code 2009, is amended to

1 read as follows:

2 **505.17 Confidential information.**

3 1. *a.* Information, records, and documents utilized  
4 for the purpose of, or in the course of, investigation,  
5 regulation, or examination of an insurance company or  
6 insurance holding company, received by the division  
7 from some other governmental entity which treats such  
8 information, records, and documents as confidential,  
9 are confidential and shall not be disclosed by the  
10 division and are not subject to subpoena. Such  
11 information, records, and documents do not constitute a  
12 public record under chapter 22.

13 *b.* The disclosure of confidential information,  
14 administrative or judicial orders which contain  
15 confidential information, or information regarding  
16 other action of the division which is not a public  
17 record subject to disclosure, to other insurance and  
18 financial regulatory officials may be permitted by  
19 the commissioner provided that those officials are  
20 subject to, or agree to comply with, standards of  
21 confidentiality comparable to those imposed on the  
22 commissioner.

23 2. Notwithstanding subsection 1, an application for  
24 a rate increase filed by a health insurance carrier and  
25 all information, records, and documents accompanying  
26 such an application or utilized for the purpose of,  
27 or in the course of consideration of the application  
28 by the commissioner, shall constitute a public record  
29 under chapter 22 except as provided in this subsection.

30 *a.* The commissioner shall consider the written  
31 request of a health insurance carrier to keep  
32 confidential certain details of an application or  
33 accompanying information, records, and documents. If  
34 the request includes a sufficient explanation as to why  
35 public disclosure of such details would give an unfair  
36 advantage to competitors, the commissioner shall keep  
37 such details confidential. If the commissioner elects  
38 to keep certain details confidential, the commissioner  
39 shall release only the nonconfidential details in  
40 response to a request for records made pursuant to  
41 chapter 22. If confidential details are withheld from  
42 a request for records made pursuant to chapter 22, the  
43 commissioner shall release an explanation of why the  
44 information was deemed confidential and a summary of  
45 the nature of the information withheld and the reasons  
46 for withholding the information.

47 *b.* In considering requests for confidential  
48 treatment, the commissioner shall narrowly construe the  
49 provisions of this subsection in order to appropriately  
50 balance an applicant's need for confidentiality

1 against the public's right to information about the  
2 application.

3 c. The commissioner shall adopt rules establishing  
4 a process relating to requests to keep information  
5 confidential pursuant to this subsection which may  
6 include but are not limited to the following:

7 (1) The nature and extent of competition in the  
8 applicant's industry sector or service territory.

9 (2) The likelihood of adverse financial impact to  
10 the applicant if the information were to be released.

11 (3) Any other factor the commissioner reasonably  
12 considers relevant.

13 Sec. \_\_\_\_ . **NEW SECTION. 505.18 Annual report.**

14 1. Consumers deserve to know the quality and cost  
15 of their health care insurance. Health care insurance  
16 transparency provides consumers with the information  
17 necessary, and the incentive, to choose health plans  
18 based on cost and quality. Reliable cost and quality  
19 information about health care insurance empowers  
20 consumer choice and consumer choice creates incentives  
21 at all levels, and motivates the entire health care  
22 delivery system to provide better health care and  
23 health care benefits at a lower cost. It is the  
24 purpose of this section to make information regarding  
25 the costs of health care insurance readily available to  
26 consumers through the consumer advocate bureau of the  
27 insurance division.

28 2. The commissioner in collaboration with the  
29 consumer advocate shall prepare and deliver a report  
30 to the governor and to the general assembly no later  
31 than November 15 of each year that provides findings  
32 regarding health spending costs for health insurance  
33 plans in the state for the previous fiscal year.

34 The commissioner may contract with outside vendors  
35 or entities to assist in providing the information  
36 contained in the annual report. The report shall  
37 provide, at a minimum, the following information:

38 a. Aggregate health insurance data concerning loss  
39 ratios of health insurance carriers licensed to do  
40 business in the state.

41 b. Rate increase data.

42 c. Health care expenditures in the state and the  
43 effect of such expenditures on health insurance premium  
44 rates.

45 d. A ranking and quantification of those factors  
46 that result in higher costs and those factors that  
47 result in lower costs for each health insurance plan  
48 offered in the state.

49 e. The current capital and surplus and reserve  
50 amounts held in reserve by each health insurance

1 carrier licensed to do business in the state.

2 *f.* A listing of any apparent medical trends  
3 affecting health insurance costs in the state.

4 *g.* Any additional data or analysis deemed  
5 appropriate by the commissioner to provide the  
6 general assembly with pertinent health insurance cost  
7 information.

8 *h.* Recommendations made by the work group convened  
9 pursuant to section 505.8, subsection 18.

10 Sec. \_\_\_\_\_. NEW SECTION. 505.19 Health insurance  
11 rate increase applications — public hearing and  
12 comment.

13 1. All health insurance carriers licensed to  
14 do business in the state shall immediately notify  
15 policyholders of any application for a rate increase  
16 that is filed with the insurance division. Such  
17 notice shall specify the rate increase proposed that  
18 is applicable to each policyholder and shall include  
19 the ranking and quantification of those factors that  
20 are responsible for the amount of the rate increase  
21 proposed. The notice shall include information about  
22 how the policy holder can contact the consumer advocate  
23 for assistance.

24 2. The commissioner shall hold a public hearing at  
25 the time a carrier files for proposed health insurance  
26 rate increases prior to approval or disapproval of  
27 the proposed rate increases for that carrier by the  
28 commissioner.

29 3. The consumer advocate shall solicit public  
30 comments on each proposed health insurance rate  
31 increase application and shall post without delay all  
32 comments received on the insurance division's internet  
33 site prior to approval or disapproval of the proposed  
34 rate increase by the commissioner.

35 4. The consumer advocate shall present the public  
36 testimony and comments received for consideration by  
37 the commissioner in determining whether to approve  
38 or disapprove such health insurance rate increase  
39 proposals.

40 5. The commissioner shall adopt rules pursuant  
41 to chapter 17A to implement the provisions of this  
42 section.>

43 2. Page 18, after line 31 by inserting:

44 <Sec. \_\_\_\_\_. EFFECTIVE UPON ENACTMENT. The following  
45 provisions of this Act, being deemed of immediate  
46 importance, take effect upon enactment:

47 1. The section of this Act enacting section 505.7,  
48 subsection 10.

49 2. The section of this Act enacting section 505.8,  
50 subsection 18.

1       3. The section of this Act amending section 505.17.  
2       4. The sections of this Act enacting sections  
3 505.18 and 505.19.>  
4       3. Title page, line 4, after <Act,> by inserting <a  
5 health care and insurance cost work group, applications  
6 for health insurance rate increases, an internet  
7 consumer guide,>  
8       4. Title page, line 9, after <applicable> by  
9 inserting <and including effective date provisions>  
10      5. By renumbering as necessary.

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PETERSEN of Polk